



SAN DIEGO
HOUSING
COMMISSION

INFORMATIONAL REPORT

DATE ISSUED: September 26, 2019

REPORT NO: HCR19-108

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of October 4, 2019

SUBJECT: Status of Loan Portfolio – Fiscal Year 2019 Fourth Quarter

COUNCIL DISTRICT: Citywide

NO ACTION IS REQUIRED ON THE PART OF THE HOUSING COMMISSION

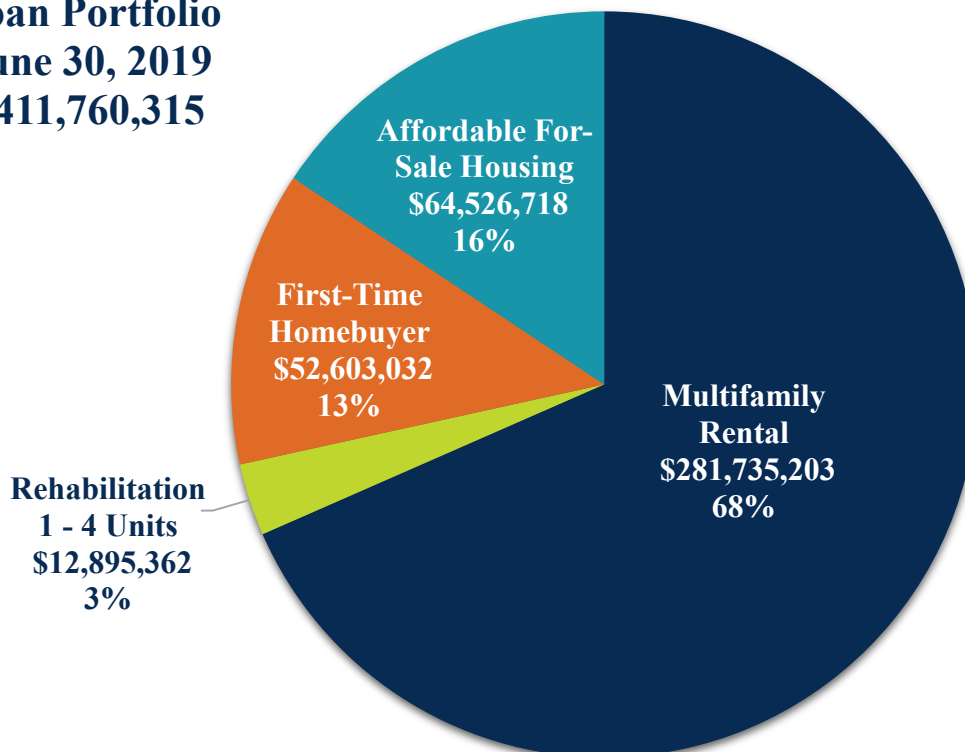
SUMMARY

Pursuant to San Diego Housing Commission (Housing Commission) Lending Authority Policy No. 600.101, the Housing Commission prepares quarterly reports that provide the following information:

- | | |
|----------------------------|--|
| 1) Loan Portfolio Summary | 5) Loans and Grants Written Off/Forgiven |
| 2) Loans and Grants Funded | 6) Defaults |
| 3) Loans Paid in Full | 7) Disposition of Foreclosed Properties |
| 4) Loan Payments | |

1. LOAN PORTFOLIO SUMMARY

Loan Portfolio
June 30, 2019
\$411,760,315



FY19 Q4	Loan Portfolio	Accrued Interest	Amortized / Min. Payment Loans	Deferred / Residual Receipts Loans	Total Loans
Multifamily Rental	\$ 281,735,203	\$ 45,694,942	15	103	118
Rehabilitation 1 - 4 Units	\$ 12,895,362	\$ 78,723	9	700	709
First-Time Homebuyer	\$ 52,603,032	\$ 4,434,201	6	1,308	1,314
Affordable For-Sale Housing	\$ 64,526,718	\$ -	0	273	273
TOTAL	\$411,760,315	\$50,207,866	30	2,384	2,414

All loan and grant programs, except the Affordable For-Sale Housing Program, are funded using federal, state, and local monies and are approved in accordance with the General Lending Authority Policy No. 600.101. The Affordable For-Sale Housing Program uses a Promissory Note, representing the difference between (a) the fair market value of the property, and (b) the actual affordable price paid at the time the Affordable Restrictions were recorded.

A portion of the loan portfolio includes loans serviced on behalf the City of La Mesa. The loans were funded by the City of La Mesa; there was no investment on the part of the Housing Commission. The Housing Commission has an agreement with the City of La Mesa for limited servicing activities.

FY19 Q4	Loan Portfolio	Accrued Interest	Total Loans
La Mesa First-Time Homebuyer	\$ 1,143,360	\$ 368,921	15

2. LOANS AND GRANTS FUNDED*

During the period of April 1, 2019 – June 30, 2019, the Housing Commission recorded loans for \$2,694,239 to assist 37 first-time homebuyers, and four home rehabilitations.

FY19 4th Quarter	
Rehabilitation	
Households Assisted	4
Rehab Loans \$	105,000
TOTAL \$	105,000
First Time Homebuyer	
Households Assisted	37
Closing Cost Assistance Grants \$	326,103
Deferred Payment Loans \$	2,368,136
TOTAL \$	2,694,239
Multi Family	
Total Projects	0
Affordable Units	0
TOTAL \$	-
TOTAL AWARDED \$	2,799,239

* Loans funded are not necessarily indicative of loans disbursed.

3. LOANS PAID IN FULL

Below is a summary of the funds collected through loan payoffs during the period of April 1, 2019 – June 30, 2019. The Housing Commission received 47 payoffs, which generated \$7,376,707 in program income:

Loan Type	# Loans Paid Off	Loan Principal Repaid	Loan Int./Shared Appreciation Received	*DP/CC Repaid	*DP/CC Interest Received	Total Payoffs
Multifamily Rental	2	\$ 6,162,136	\$ 137,452	\$ -	\$ -	\$ 6,299,587
Rehabilitation 1 - 4 Units	19	\$ 329,690	\$ 23,246	\$ 4,000	\$ -	\$ 356,936
First-Time Homebuyer	26	\$ 884,881	\$ 420,728	\$ 48,290	\$ 10,827	\$ 1,364,726
Affordable For-Sale Housing	0	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	47	\$ 7,376,707	\$ 581,425	\$ 52,290	\$ 10,827	\$ 8,021,249

**Down Payment and Closing Cost Assistance Recoverable Grant*

4. LOAN PAYMENTS

The Housing Commission loan portfolio is primarily composed of deferred loans, which do not require *fixed* monthly / annual payments. Multifamily Rental loans require annual residual receipts payments based on the development's available cash flow. Below is a summary of the residual receipts payments, fixed payments and voluntary payments collected during the period of April 1, 2019 – June 30, 2019.

Loan Type	Principal	Interest	Total
Multifamily Rental	\$ 109,480	\$ 1,115,361	\$ 1,224,842
Rehabilitation	\$ 14,152	\$ 1,097	\$ 15,248
First-Time Homebuyer	\$ 109,454	\$ 19,245	\$ 128,699
TOTAL	\$ 233,086	\$ 1,135,704	\$ 1,368,789

5. LOANS AND GRANTS WRITTEN-OFF / FORGIVEN

Below is a summary of the loans and grants written off or forgiven during the period of April 1, 2019 – June 30, 2019.

Loan Type	\$ Forgiven Principal Per Terms of Loan	\$ Written Off	Total
Multifamily Rental	\$ -	\$ -	\$ -
Rehabilitation 1 - 4 Units	\$ 360,513	\$ -	\$ 360,513
First Time Homebuyer	\$ -	\$ 49,000	\$ 49,000
Affordable For-Sale	\$ -	\$ -	\$ -
TOTAL	\$ 360,513	\$ 49,000	\$ 409,513

**Written Off loans are a result of default activity, i.e., bankruptcy, foreclosure or short sale.*

6. DEFAULTS

Defaults include all Housing Commission loans that are delinquent 30 days or more and loans for which the senior lien holder has filed a Notice of Default. Historically the vast majority of borrowers are able to cure the default and remain in their home. As of June 30, 2019, the loans in default are as follows:

FY19 Q4	# in Default	\$ in Default	Default Ratio	Default w/ SDHC	Default w/ Senior Lien
Multifamily Rental	0	\$ -	0.00%	0	0
Rehabilitation 1 - 4 Units	2	\$ 44,130	0.34%	2	0
First-Time Homebuyer	5	\$ 297,289	0.57%	5	0
Affordable For-Sale Housing	1	\$ 140,578	0.22%	1	0
La Mesa First-Time Homebuyer	0	\$ -	0.00%	0	0
TOTAL	8	\$ 481,997	0.12%	8	0

DISPOSITION OF FORECLOSED PROPERTIES

On December 17, 2018, a trustee sale was held for property located at 3950 Ohio Street, Number 311, San Diego, California 92104. The property reverted back to the beneficiary, San Diego Housing Commission. The Housing Commission sold the property to another income-eligible family on July 25, 2019.

Respectfully submitted,

Sujata Raman

Sujata Raman
Vice President
Single-Family Housing Finance
Real Estate Division

Approved by,

Jeff Davis

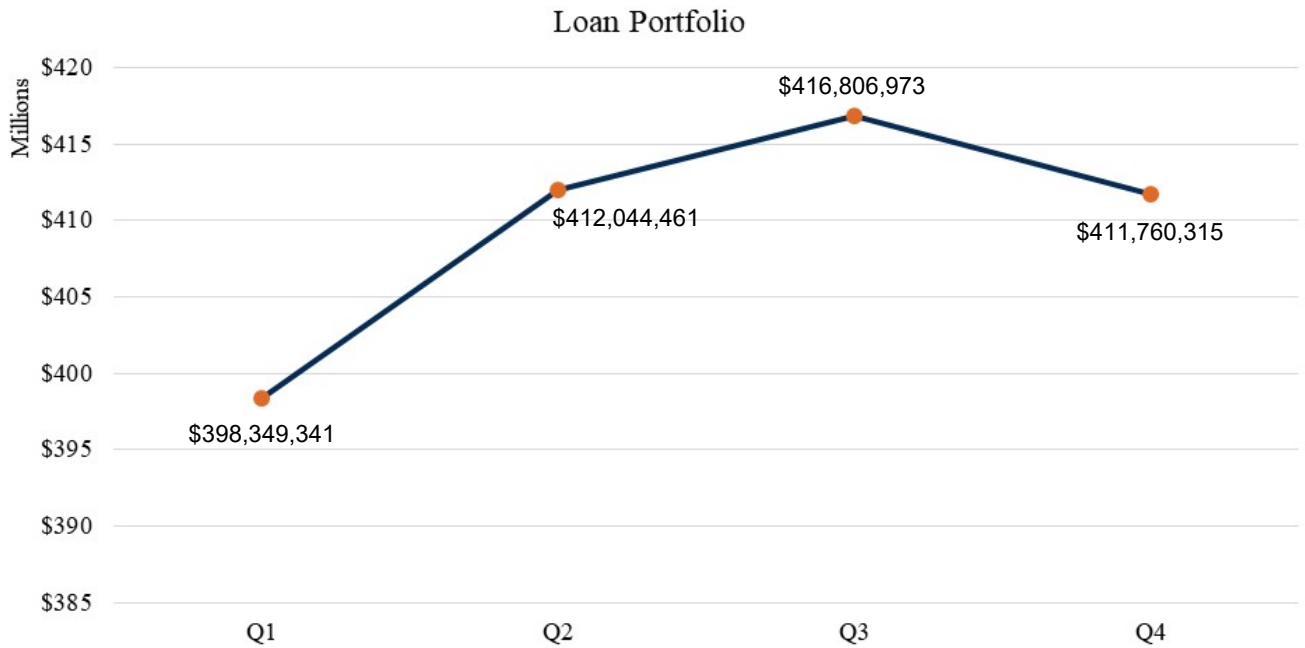
Jeff Davis
Executive Vice President and Chief of Staff
San Diego Housing Commission

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Attachments: Fiscal Year 2019 Summary of Activity

ATTACHMENT 1

FISCAL YEAR 2019 SUMMARY OF ACTIVITY July 1, 2018 – June 30, 2019



Total Loans and Grants Awarded

Fiscal Year 2019	Q1	Q2	Q3	Q4	Total
Multifamily Rental	\$ -	\$ 3,510,000	\$ -	\$ -	\$ 3,510,000
Rehabilitation 1 - 4 Units	\$ 120,000	\$ 110,000	\$ 44,500	\$ 105,000	\$ 379,500
First Time Homebuyer	\$ 44,883	\$ 72,788	\$ 1,988,861	\$ 2,694,239	\$ 4,800,771
Affordable For-Sale	\$ -	\$ 6,419,479	\$ -	\$ -	\$ 6,419,479
Total	\$ 164,883	\$ 10,112,267	\$ 2,033,361	\$ 2,799,239	\$ 15,109,750

Number of Affordable Units Produced

Fiscal Year 2019	Q1	Q2	Q3	Q4	Total
Multifamily Rental	0	251	0	0	251
Rehabilitation 1 - 4 Units	4	4	2	4	14
First Time Homebuyer	1	1	28	37	67
Affordable For-Sale	0	11	0	0	11
Total	5	267	30	41	343

Total of Loans and Grants Paid in Full (Includes Principal and Accrued Interest)

Fiscal Year 2019	Q1	Q2	Q3	Q4	Total
Multifamily Rental	\$ -	\$ -	\$ -	\$ 6,299,587	\$ 6,299,587
Rehabilitation 1 - 4 Units	\$ 121,965	\$ 95,302	\$ 95,864	\$ 356,936	\$ 670,066
First Time Homebuyer	\$ 1,889,075	\$ 1,164,350	\$ 587,447	\$ 1,364,726	\$ 5,005,598
Affordable For-Sale	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 2,011,040	\$ 1,259,652	\$ 683,311	\$ 8,021,249	\$ 11,975,251

Total of Monthly/Annual Payments on Active Loans (Includes Principal and Accrued Interest)

Fiscal Year 2019	Q1	Q2	Q3	Q4	Total
Multifamily Rental	\$ 1,543,043	\$ 184,902	\$ 169,626	\$ 1,224,842	\$ 3,122,413
Rehabilitation 1 - 4 Units	\$ 12,518	\$ 11,382	\$ 15,903	\$ 15,248	\$ 55,051
First Time Homebuyer	\$ 144,223	\$ 45,267	\$ 103,375	\$ 128,699	\$ 421,564
Affordable For-Sale	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 1,699,783	\$ 241,552	\$ 288,903	\$ 1,368,789	\$ 3,599,028

Total of Loans Forgiven Per Terms of Loan or Written Off Per PO-RED 325.01

Fiscal Year 2019	Q1	Q2	Q3	Q4	Total
Multifamily Rental	\$ -	\$ -	\$ -	\$ -	\$ -
Rehabilitation 1 - 4 Units	\$ 15,000	\$ 78,000	\$ 201,117	\$ 360,513	\$ 654,630
First Time Homebuyer	\$ -	\$ -	\$ -	\$ 49,000	\$ 49,000
Affordable For-Sale	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 15,000	\$ 78,000	\$ 201,117	\$ 409,513	\$ 703,630